

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Patent and Trademark Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Driftwood Dairy, Inc.		07/28/2011	CORPORATION: CALIFORNIA
RECEIVING PARTY DATA			
Name:	The Lincoln National Life Insurance Company		
Street Address:	2005 Market Street, 41st Floor		
Internal Address:	c/o Delaware Investment Advisers		
City:	Philadelphia		
State/Country:	PENNSYLVANIA		
Postal Code:	19103		
Entity Type:	CORPORATION: INDIANA		
PROPERTY NUMBERS Total: 13			
Property Type	Number	Word Mark	
Registration Number:	3628697		
Registration Number:	3620839		
Registration Number:	3617471		
Registration Number:	3613066		
Registration Number:	3617472	DRIFTWOOD DAIRY SINCE 1920	
Registration Number:	3624598	DRIFTWOOD SINCE 1920	
Registration Number:	3620840	DRIFTWOOD	
Serial Number:	77201893	DRIFTWOOD DAIRY SINCE 1920	
Serial Number:	77201854		
Serial Number:	77201783		
Serial Number:	77201867		
Serial Number:	77201932	DRIFTWOOD	
Serial Number:	77201908	DRIFTWOOD SINCE 1920	

OP \$340.00 3628697

900198593

TRADEMARK
 REEL: 004595 FRAME: 0680

CORRESPONDENCE DATA

Fax Number: (860)240-2513

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 860.240.2935

Email: michelle.fournier@bingham.com

Correspondent Name: Michelle Walters Fournier, RP

Address Line 1: One State Street

Address Line 2: Bingham McCutchen LLP

Address Line 4: Hartford, CONNECTICUT 06103

NAME OF SUBMITTER:

Michelle Walters Fournier

Signature:

/Michelle Walters Fournier/

Date:

08/02/2011

Total Attachments: 10

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THIS INSTRUMENT AND THE RIGHTS AND OBLIGATIONS EVIDENCED HEREBY ARE SUBORDINATE IN THE MANNER AND TO THE EXTENT SET FORTH IN THAT CERTAIN AMENDED AND RESTATED SUBORDINATION AND INTERCREDITOR AGREEMENT (AS THE SAME MAY BE AMENDED OR OTHERWISE MODIFIED FROM TIME TO TIME PURSUANT TO THE TERMS THEREOF, THE "SUBORDINATION AGREEMENT") DATED AS OF JULY 28, 2011 AMONG THE LINCOLN NATIONAL LIFE INSURANCE COMPANY, DRIFTWOOD DAIRY, INC. (THE "COMPANY"), DRIFTWOOD DAIRY HOLDING CORPORATION ("HOLDINGS" AND, COLLECTIVELY WITH THE COMPANY AND THEIR RESPECTIVE SUBSIDIARIES, THE "CREDIT PARTIES") AND WELLS FARGO BANK, NATIONAL ASSOCIATION, ACTING THROUGH ITS WELLS FARGO BUSINESS CREDIT OPERATING DIVISION ("SENIOR LENDER"), TO THE INDEBTEDNESS (INCLUDING INTEREST) OWED BY THE CREDIT PARTIES PURSUANT TO THAT CERTAIN CREDIT AND SECURITY AGREEMENT DATED AS OF DECEMBER 17, 2008 AMONG THE COMPANY, HOLDINGS AND SENIOR LENDER, AND CERTAIN GUARANTEES OF THE INDEBTEDNESS EVIDENCED THEREBY, AS SUCH CREDIT AND SECURITY AGREEMENT AND SUCH GUARANTEES HAVE BEEN AND HEREAFTER MAY BE AMENDED, RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME AS PERMITTED UNDER THE SUBORDINATION AGREEMENT AND TO INDEBTEDNESS REFINANCING THE INDEBTEDNESS UNDER SUCH AGREEMENTS AS PERMITTED BY THE SUBORDINATION AGREEMENT; AND EACH HOLDER OF THIS INSTRUMENT, BY ITS ACCEPTANCE HEREOF, IRREVOCABLY AGREES TO BE BOUND BY THE PROVISIONS OF THE SUBORDINATION AGREEMENT.

PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of July 28, 2011, is made by and between Driftwood Dairy, Inc., a California corporation having a business location at the address set forth below next to its signature ("Company"), and The Lincoln National Life Insurance Company, an Indiana corporation ("Lender"), and having a business location at the address set forth below next to its signature.

Recitals

A. Company and Lender are parties to a Note Agreement (as amended, supplemented or restated from time to time, the "Note Agreement") dated as of July 26, 2006, setting forth the terms on which Lender has made and continues to make certain financial accommodations available to Company.

B. Pursuant to the terms of that certain Waiver Agreement and Fifth Amendment to Note Agreement, dated as of the date hereof, Company is required to execute and deliver this Agreement to Lender.

ACCORDINGLY, in consideration of the mutual covenants contained in the Financing Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Note Agreement that are not otherwise defined herein shall have the meanings given to them in the Note Agreement. In addition, the following terms have the meanings set forth below:

“Patents” means all of Company’s right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

“Secured Obligations” means each and all of the following: (i) all of the present and future obligations of Company arising from the Notes, the Note Agreement and each other document evidencing or securing indebtedness of Company owed to Lender, and (b) reasonable attorneys fees and expenses and any interest, fees, or expenses owed by Company to Lender that accrue after the filing of an insolvency proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any insolvency proceeding.

“Security Agreement” means that certain Security Agreement, dated as of the date hereof, by and between Company and Lender, as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time.

“Security Interest” has the meaning given in Section 2.

“Trademarks” means all of Company’s right, title and interest in and to: (i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, and (iv) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B.

2. Security Interest. Company hereby irrevocably pledges and assigns to, and grants Lender a security interest (the “Security Interest”) with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Secured Obligations. As set forth in the Security Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of Company. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use any trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. Company represents, warrants and agrees as follows:

(a) Existence; Authority. Company is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of Company.

(b) Patents. Exhibit A accurately lists all registered Patents owned or controlled by Company as of the date hereof, or to which Company has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If, after the date hereof, Company owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then Company shall within 60 days provide written notice to Lender with a replacement Exhibit A, which upon acceptance by Lender shall become part of this Agreement.

(c) Trademarks. Exhibit B accurately lists all Trademarks owned or controlled by Company as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit B need not list common law marks or state-registered marks. If, after the date hereof, Company owns or controls any Trademarks not listed on Exhibit B (other than common law marks or state-registered marks), or if Exhibit B ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Company shall promptly provide written notice to Lender with a replacement Exhibit B, which upon acceptance by Lender shall become part of this Agreement.

(d) Subsidiaries and Affiliates. As of the date hereof, no Subsidiary or Affiliate owns, controls, or has a right to have assigned to it any items that would, if such item were owned by Company, constitute Patents or Trademarks. If after the date hereof any Subsidiary or any Affiliate owns, controls, or has a right to have assigned to it any such items, then Company shall promptly either: (i) cause such Subsidiary or Affiliate to assign all of its rights in such item(s) to Company; or (ii) notify Lender of such item(s) and cause such Subsidiary or Affiliate to execute and deliver to Lender a patent and trademark security agreement substantially in the form of this Agreement.

(e) Title. Company has absolute title to each Patent and each Trademark listed on Exhibits A and B, free and clear of all Liens except Permitted Encumbrances. Company (i) will have, at the time Company acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except Permitted Encumbrances, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Encumbrances.

(f) No Sale. Except as permitted in the Note Agreement, Company will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without Lender's prior written consent.

(g) Defense. Company will at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Encumbrances.

(h) Maintenance. Company will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Company covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Lender: (i) sufficient written notice, of at least 30 days, to allow Lender to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(i) Lender's Right to Take Action. If Company fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after Lender gives Company written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if Company notifies Lender that it intends to abandon a Patent or Trademark, Lender may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of Company (or, at Lender's option, in Lender's own name) and may (but need not) take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(j) Costs and Expenses. Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Company shall pay Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with or as a result of Lender's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Lender at the rate of interest on the Notes as in effect during the existence of an Event of Default as set forth in the Notes.

(k) Power of Attorney. To facilitate Lender's taking action under subsection (i) and exercising its rights under Section 6, Company hereby irrevocably appoints (which appointment is coupled with an interest) Lender, or its delegate, as the attorney in fact of Company with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Company, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Company under this Section 3, or necessary for Lender after an Event of Default to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non exclusive license under the Patents or Trademarks to any third party, or to

sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Note Agreement as provided therein, the payment in full of the Notes as provided therein, and the payment and performance of all Secured Obligations.

4. Company's Use of the Patents and Trademarks. Company shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured and Lender has not notified Company to the contrary.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Note Agreement, shall occur; or (b) Company shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence of an Event of Default and at any time thereafter, Lender may, at its option, take any or all of the following actions:

(a) Lender may exercise any or all remedies available under the Note Agreement.

(b) Lender may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) Lender may enforce the Patents and Trademarks and any licenses thereunder, and if Lender shall commence any suit for such enforcement, Company shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Lender. A waiver signed by Lender shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Lender's rights or remedies. All rights and remedies of Lender shall be cumulative and may be exercised singularly or concurrently, at Lender's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Company under this Agreement shall be given in the manner and with the effect provided in the Note Agreement. Lender shall not be obligated to preserve any rights Company may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be

binding upon and inure to the benefit of Company and Lender and their respective participants, successors and assigns and shall take effect when signed by Company and delivered to Lender, and Company waives notice of Lender's acceptance hereof. Lender may execute this Agreement if appropriate for the purpose of filing, but the failure of Lender to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by Company shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the state of New York, without regard to any conflicts of law rules which would require the application of the law of any other jurisdiction. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Secured Obligations.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

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IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

Driftwood Dairy, Inc.
10724 Lower Azusa Road
El Monte, CA 91731

DRIFTWOOD DAIRY, INC.

By: 

Name: Chris L. Britt

Title: Chairman of the Board and Secretary

[Signature page to Patent and Trademark Security Agreement]

TRADEMARK
REEL: 004595 FRAME: 0688

The Lincoln National Life
Insurance Company
c/o Delaware Investment Advisers
2005 Market Street, 41st Floor
Philadelphia, PA 19103

**THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY**

By: Delaware Investment Advisers, a Series
of Delaware Management Business
Trust, Attorney-in-Fact

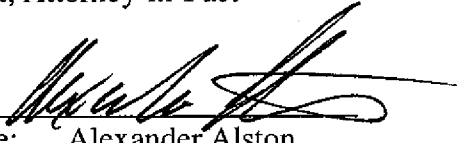
By: 
Name: Alexander Alston
Title: Vice President

EXHIBIT A

UNITED STATES ISSUED PATENTS

None.

EXHIBIT B**UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS
AND COLLECTIVE MEMBERSHIP MARKS****U.S. Registered Trademarks, Service Marks and Collective Membership Marks**

Trademark or Service Mark or Collective Membership Marks	Registration Number	Registration Date	Status
Stylized cow	3628697	05/26/2009	Registered
Stylized cow (lawn)	3620839	05/12/2009	Registered
Stylized cow (lawn, sky)	3617471	05/05/2009	Registered
Stylized cow (glass)	3613066	04/28/2009	Registered
Driftwood Dairy Since 1920 (stylized)	3617472	05/05/2009	Registered
Driftwood Since 1920 (stylized)	3624598	05/19/2009	Registered
DRIFTWOOD	3620840	05/12/2009	Registered

U.S. Trademarks, Service Marks and Collective Membership Marks Applications

Trademark or Service Mark or Collective Membership Marks	Serial Number	Filing Date	Status
Driftwood Dairy Since 1920	77201893 / 77976891	06/08/2007	Abandoned
Stylized cow (lawn)	77201854 / 77976889	06/08/2007	Abandoned
Stylized cow	77201783 / 77976888	06/08/2007	Abandoned
Stylized cow (lawn, sky)	77201867 / 77976890	06/08/2007	Abandoned
DRIFTWOOD	77201932 / 77976892	06/08/2007	Abandoned
Driftwood Since 1920	77201908 / 77976972	06/08/2007	Abandoned
Nature's Farms	74347481	01/11/1993	Abandoned